# GOVERNMENT OF INDIA
# TEXTILES
# LOK SABHA

UNSTARRED QUESTION NO:2906
ANSWERED ON:02.08.2002
PROSPECTS OF TEXTILE EXPORTS
PRABODH PANDA

**Will the Minister of TEXTILES be pleased to state:**

(a) whether the exports of textile items have declined during the last three years;

(b) if so, the details thereof;

(c) whether India`s textile export has been affected due to military action in Afghanistan; and

(d) if so, the remedial steps taken by the Government in this regard ?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES SHRI BASANAGOUDA R. PATIL (YATNAL)

(a) to (c) The value of textile exports from the country during the last three years are given below :-

| Year | Value (in US$ Million) | % increase/decrease over the previous year |
|---|---|---|
| 1999-2000 | 10508.6 | 10.1% |
| 2000-2001 | 12037.6 | 14.6% |
| 2001-2002 | 10715.0 | -11.0% |

Source : DGCI&S, Calcutta

The declining trend in the textile exports during the year 2001-02 is mainly due to general slowdown in the economies of some of our major important trading partners like US which got accentuated due to Sept. 11 attacks. It is also due to increased competition from our neighbouring countries like China, Bangladesh etc.

(d) Government have been taking several steps from time to time to increase textile exports. Some of the important initiatives are:-

i) The Government has de-reserved the woven segment of readymade garment from the SSI sector.

ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures.This further encourages modernisation.

iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought to 5%. A programme has also been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.

v) Foreign equity participation upto 100% through automatic route has been allowed in the textile sector with a few exceptions.

vi) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

vii) To prepare and sensitise the textile industry to conform to the ecological requirements of importing countries by providing facilities by way of eco-testing laboratories.